

UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
OFFICE OF FINANCE AND ADMINISTRATION

September 20, 1996

MEMORANDUM FOR: IG/GAO Coordinators

FROM: Barbara Martin
Audits and Internal Control Staff

SUBJECT: GAO and OIG Draft/Final Reports

The Audit and Internal Control Staff (A&ICS) has developed the attached document to assist you in the preparation of responses to GAO and OIG draft and final reports. Amendments to this document will be provided as policy and procedures are modified.

In part, the document provides the NOAA policy as established by the Deputy Under Secretary's memorandums of February 9, 1994 and April 1, 1994 for responses to the General Accounting Office and the Office of Inspector General, respectively. Contained therein are procedural issues needed for the development of a timely and thorough response.

As you follow the guidelines provided in these documents, you should know that there is some flexibility in the process and preparation of your response. However, it is mandatory that we meet the response deadlines on all GAO or OIG reports unless an extension is provided. Please note, however, that the Deputy Under Secretary prefers that we meet the original deadline.

Please contact me should you have any questions. I can be reached on 713-1150.

Attachments:

1. NOAA Policy
2. Format
3. Signature Level
4. Elapsed Time Frames
5. Department Administrative Orders

UNITED STATES DEPARTMENT OF COMMERCE
The Deputy Under Secretary for
Oceans and Atmosphere
Washington, DC 20230

Feb 9, 1994

MEMORANDUM FOR: Assistant Administrators
Staff Office Directors
Program Directors

FROM: Diana H. Josephson

SUBJECT: Responses to General Accounting Office (GAO) Reports

The attached correspondence alerted me to a significant problem in NOAA's response to GAO audit reports. As the attached memorandum indicates, we have been consistently late in our responses to such reports.

There is enough blame to go around regarding how each of us has sometimes dealt with these reports. I will tighten up the process within my office and you must do the same.

Departmental policy now dictates that all GAO responses go to the Secretary for signature and transmittal. This severely limits the amount of time that Bureaus have to meet the Agency's requirement to respond within 30 calendar days for GAO draft reports and within 60 calendar days for GAO final reports. NOAA's response time has been established at 20 and 45 days, respectively.

In order to meet that standard, your office must respond to the Comptroller within 12 calendar days of the transmittal date -to you for GAO draft reports, and within 30 calendar days for GAO final reports. To be sure that I understand the policy and strategic implications of your proposed response, please arrange to provide me an in-person briefing on a schedule that matches the required submission dates. Further, if there is any question of compliance, you should seek an immediate extension from the Comptroller who will in turn request the extension from the proper authority in the Department.

I am certain that you and your office will do your part to help NOAA turn this situation around. I welcome your suggestions on additional steps we can take to solve this problem.

Attachment

UNITED STATES DEPARTMENT OF COMMERCE
Chief Financial Officer
Assistant Secretary for Administration
Washington, DC 20230

Dec 27 1993

MEMORANDUM FOR Diana H. Josephson
 Deputy Under Secretary for Oceans
 And Atmosphere

FROM: Gloria Gutierrez
 Acting Chief Financial Officer and
 Assistant Secretary for Administration

SUBJECT: Secretarial Signature for GAO Report Responses

In your December 14 memorandum you urged that I reconsider the signature level for GAO reports. Frankly, the main reason for that change was to remedy a serious performance problem in the Department's ability to respond to GAO reports. As you know, there are statutory timeframes for responding to GAO reports: 30 days for draft reports and 60 days for final reports. We seldom meet these deadlines. I believe this inability to meet basic deadlines reflects poorly on the Secretary and the Department.

NOAA has the unfortunate distinction of being the lead bureau in submitting delinquent responses to GAO reports. On the average, NOAA's responses during the past three years have been 19 days late. NOAA's performance over the last three years is indicated in the attached chart. I must point out, however, that even with the signature level raised to the Secretary, NOAA's performance is disappointing. The latest GAO report out for comment by NOAA is already overdue, not only to Executive Secretariat (ES), but to GAO as well. I am aware that your office did call and request an extension. However, NOAA has missed that extension and another extension beyond that. I understand now that NOAA has committed, in writing to the GAO, to respond by January 7. I do hope this new deadline is met.

I believe the rationale behind the CPR suggestion which resulted in this change is sound -- most offices will respond more readily to meeting correspondence deadlines imposed by the Secretary. The ES has a well established and functioning departmental clearance process which can be used for this purpose. I am comfortable with this new arrangement.

Attachment

cc: Anthony Das
 Elizabeth Lyle

UNITED STATES DEPARTMENT OF COMMERCE
The Deputy Under Secretary for
Oceans and Atmosphere
Washington, DC 20230

Apr 1 1994

MEMORANDUM FOR: Assistant Administrators
Staff office Directors
Program Directors

FROM: Diana H. Josephson

SUBJECT: Responses to Draft and Final OIG Audit and
Inspection Reports

Recently, a review of NOAA's adherence to departmental policy on the timely submission for responses on OIG draft and final reports indicates that improvement is warranted.

Departmental policy requires a 28-30 calendar day turnaround for responses on draft reports and a 30-60 calendar day turnaround, depending on the complexity of audit issues, for responses on final reports.

To meet the prescribed departmental guidelines, your office must respond to the Comptroller within:

- 20 calendar days for draft reports;
- 20 calendar days for final reports with an OIG established 30 days turnaround;
- 45 calendar days for final reports with an OIG established 60 day turnaround.

We need to be sure that we arrive at a coordinated NOAA audit response position early in NOAA's development of report responses. I have asked the Comptroller to set up a conference call with the relevant Program and/or staff office(s) within a week of NOAA's receipt of IG draft or final audit reports. These calls are to assist NOAA entities reach consensus on the programmatic and policy positions to be taken in answering the report's findings and recommendations. In some cases, I may elect to be personally involved in this stage of the process.

The Comptroller's office will set up a meeting with me, shortly before the date your response is due, so that you can brief me personally on the contents of your recommended response back to the Inspector General. I am anxious to get an early indication of your recommended response position, especially where you have some significant disagreement with the IG report findings or recommendations.

Should you deem it necessary to request an extension to the dates outlined above, a written justification should immediately be provided to the Comptroller who in turn will contact the OIG. Until you are notified otherwise, the original deadlines stand.

We need to give greater attention to improving the timeliness of our performance in this area. Your suggestions to improve this process within NOAA are welcome.

ATTACHMENT INOAA POLICY

The attached memorandum issued by the Deputy Under Secretary , dated February 9, 1994, Responses to General Accounting Office Reports, prescribes the following:

1. TIME FRAMES FOR SUBMISSION OF A RESPONSE TO THE CHIEF FINANCIAL OFFICER/CHIEF ADMINISTRATIVE OFFICER FOR GAO REPORTS

Time frames begin from the date of the GAO Report.

- 12 calendar days for draft reports*
- 30 calendar days for final reports

- i Through experience, we found that this time frame does not afford sufficient time to review and clear the response for the signature of the Secretary and is, therefore, reduced by a few days.

Some offices within GAO have begun assigning due dates per report. Turnaround time is considerably less calendar days than prescribed above. In some cases, GAO has requested verbal comments on their reports. Verbal comments are prohibited by the Department.

2. CONFERENCE CALLS

Not Required.

3. BRIEFING OF THE DEPUTY UNDER SECRETARY

The Action Office should brief the Deputy Under Secretary on the proposed response shortly before the response is due to OFA, A&ICS.

4. EXTENSIONS

The Action Office should request an extension to a due date in writing, and include a justification. It is to be transmitted directly to the Team Leader, Audits and Internal Control Staff. Until notified otherwise, the original deadline stands. Note that the Deputy Under Secretary prefers that the original due date be met.

Attachment

ATTACHMENT INOAA POLICY (continued)

The Attached memorandum issued by the Deputy Under Secretary , dated April 1, 1994, Responses to Draft and Final OIG Audit and Inspection Reports prescribes the following:

1. TIME FRAMES FOR SUBMISSION OF A RESPONSE TO THE CHIEF FINANCIAL OFFICER/CHIEF ADMINISTRATIVE OFFICER FOR OIG REPORTS

Time frames begin from the date of the OIG Report.

- 20 calendar days for draft reports;
- 20 calendar days for final reports with an OIG established 30 day turnaround;
- 45 calendar days for final reports with an OIG established 60 day turnaround.

A final OIG Inspection Report usually does not require an action plan. However, the OIG or NOAA management can request proposed actions on the OIG recommendations. Time frames are established by the requester.

2. CONFERENCE CALLS

The Audits and Internal Control Staff will schedule a conference call with the action office(s) within one week of NOAA's receipt of a draft or final report. The purpose is to make sure that a NOAA coordinated position is developed.

3. BRIEFING OF THE DEPUTY UNDER SECRETARY

The Action Office should brief the Deputy Under Secretary on the proposed response shortly before the response is due to OFA, A&ICS. Note that the briefing requirements have been amended in that OFA does not schedule the briefing for the action office.

4. EXTENSIONS

The Action Office should request an extension to a due date in writing, and include a justification. The request should be transmitted directly to the Team Leader, Audits and Internal Control Staff. Until notified otherwise, the original deadline stands. Note that the Deputy Under Secretary prefers that the original due date be met.

Attachment

ATTACHMENT 2FORMAT FOR PREPARING RESPONSES TO GAO AND OIG REPORTS

- For GAO reports, the format for responding to draft and final reports is the same. Specifically, general comments are provided on the report's findings and a response is developed for each recommendation indicating concurrence or nonconcurrence. If nonconcurrence, a rationale must be provided. Describe proposed action to be taken on each recommendation and a proposed target completion date. If action has already been taken, describe the action, and provide the actual completion date. See DAO-213-1.
- S For OIG draft inspection and audit reports, the response must address the findings and conclusions, and if applicable, funds to be put to better use. Specifically, the response should indicate concurrence or nonconcurrence with, and make other pertinent comments about the findings, and (2) briefly indicate the action taken or proposed to be taken. If nonconcurrence, state the reason for rejection. See DAO -213-2, Inspections; DAO-213-3, Auditing.
- S For OIG final audit reports, the audited office must prepare an action plan and specify either concurrence or nonconcurrence with each recommendation; provide a specific plan of corrective action with appropriate target dates for implementing all accepted recommendations; provide a rationale for nonconcurrence with any recommendation; include the action taken and date of completion if a recommendation has already been carried out; address funds to be put to better use including a rationale if the funds issue is rejected, or if there is a difference between the alleged OIG amount and NOAA's proposed amount of funds to be put to better use. Also, a signature line for the OIG is required for EACH action plan. The prescribed format for an action plan is contained in DAO-213-5, Exhibit 7.

Note that action plans are not required for final inspection reports. However, the OIG or NOAA management may request that a response be developed indicating actions taken or planned for each recommendation.

ATTACHMENT 3SIGNATURE LEVEL FOR RESPONSES TO GAO AND OIG REPORTS

Following is the customary level of signature authority for responses to GAO and OIG draft and final reports. Signature authority can be delegated to a designee, but for GAO reports, the Department prefers that the signature level remain with the Secretary of Commerce.

1. GAO DRAFT AND FINAL REPORTS: Secretary of Commerce, or if signature authority is delegated by the Department to NOAA, the Under Secretary or Deputy Under Secretary can sign the transmittal letter.
2. OIG DRAFT REPORTS: Chief Financial Officer/Chief Administrative Officer.
3. OIG FINAL REPORTS: The Deputy Under Secretary.

ATTACHMENT 4TIME FRAMES FOR GAO REPORTS

The elapsed time described below is calendar days, and is in accordance with established NOAA and DOC policy. Note that some offices within GAO have begun assigning due dates per report. Turnaround time is considerably less calendar days than prescribed below. In some cases, GAO has requested verbal comments on their reports. Verbal comments are prohibited by the Department.

ELAPSED TIME FOR GAO DRAFT AND FINAL REPORTS

<u>DRAFT</u>		<u>FINAL</u>
0 day	Final Report Issued.	0 day
1 day	MICS tasks the appropriate office(s).	1 day
1-11 days	Action office prepares response.	1-29 days
* 12 days	Action office provides proposed response to OFA (A&ICS).	30 days
	CFO/CAO signs memo recommending that the Under Secretary sign the proposed response to DOC.	
	NOAA Executive Secretariat reviews and clears.	
	Under Secretary or the Deputy Under Secretary signs memo to DOC.	
20 days	DOC Executive Secretariat receives memo.	45 days
	DOC Executive Secretariat reviews and clears memo.	
	Secretary signs letter to GAO.	
30 days	GAO receives DOC's response.	60 days

* Usually, this time frame does not afford sufficient time to review and clear the response for signature of the Secretary and is, therefore, reduced by a few days.

ATTACHMENT 4TIME FRAMES FOR OIG AUDIT REPORTS

The elapsed time described below is calendar days, and is in accordance with established NOAA and DOC policy.

ELAPSED TIME FOR OIG DRAFT AND FINAL AUDIT REPORTS

<u>DRAFT</u>		<u>FINAL</u>
0 day	Final Report Issued.	0 day
1 day	MICS tasks the appropriate office(s).	1 day
1-19 days	Action office prepares response.	1 - 44 days
20 days	Action office provides proposed response to OFA (A&ICS).	45 days
	CFO/CAO signs transmittal memo for responses to draft OIG reports.	
30 days	OIG receives NOAA's response to their draft report.	
	CFO/CAO signs transmittal memo to the Deputy Under Secretary recommending that the action plan be transmitted to the OIG.	
	Executive Secretariat reviews and clears.	
	Deputy Under Secretary signs memo transmitting the action plan to the OIG.	
	OIG receives NOAA's Action Plan.	60 days

Note that action plans are not required for final inspection reports. However, the OIG or NOAA management may request that a response be developed indicating actions taken or planned for each recommendation. Time frames are established by the requester.

U. S. DEPARTMENT OF COMMERCE
COMMENTS ON DRAFT/FINAL GAO REPORT ENTITLED

"PESTICIDES: A Comparative Study of Industrialized
Nation's Regulatory Systems@

GAO/PEMD-93-17

July 30, 1993

*** *Sample format for response to draft or final reports.* ***

(October 1, 1993)

COMMENTS: If applicable, provide general comments in this section which do not address the specific recommendations.

RECOMMENDATION: Enter text of the recommendation from the GAO report.

RESPONSE: State specifically whether the Department concurs or does not concur with the recommendation. If there is noncurrence with the recommendation, provide an explanation. If concurring with the recommendation, provide the following information:

- 0 Describe what action is proposed to implement the recommendation.
- 0 Provide a target completion date for action proposed. If the action to implement the recommendation has already been taken, state so and give the actual completion date.

(NOTE: Each recommendation and response should be addressed separately so that it is clear what action will be taken for each recommendation.)

**** Sample format for response to draft or final reports. ****

(October 1, 1993)